

Termination Would Prevent Spending of Nearly \$30 Billion in TARP Funds

Washington, D.C.—U. S. Congressman Mike Pence voted today to end the Home Affordable Modification Program (HAMP) and prevent \$30 billion of taxpayer funds from TARP from being spent on the program. The bill passed the House 247-170.

"Stopping payment to a failing government program means a victory for the American taxpayer," said Pence. "The Home Affordable Modification Program is not working and is actually making matters worse for the American homeowner."

Background

Of the 1.47 million homeowners who have received "trial modifications" under HAMP, a staggering 735,000 (53.9%) have been dropped from the program. These homeowners could again find themselves facing foreclosure with the added pressure of paying significant costs as a result of losing the trial mortgage modification.

Over the two years that HAMP has been in place, foreclosure filings have increased, not decreased, dramatically.

--There is widespread criticism that HAMP is not working and is only making matters worse for many of the homeowners who participate or seek to participate. The Special Inspector General for TARP (SIGTARP), the Congressional Oversight Panel, and the Government Accountability Office have all detailed the shortcomings of HAMP and highlighted how this program has hurt, rather than helped, struggling homeowners.

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